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ARTICLE APPEARED ON PAGE E-4

NEW YORK TIMES
2 AUGUST 1981

The Posse on Casey's Trail Reins In Fast

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WASHINGTON

FOR a while, it seemed all too familiar. A newspaper account raised questions about a well-known public official. Influential senators called upon him to step down for the good of the country. A committee investigation was launched; probers and prey are followed around town by troops of reporters.

But beyond that, the drama of William J. Casey failed to follow the script. Last week, there was no terse resignation announcement. Rather, the momentum seemed to dissipate as rapidly as it had built, leaving many genuinely puzzled. Virtually all Democrats and Republicans of the Senate Select Committee on Intelligence, which is still officially investigating charges of financial misconduct raised against Mr. Casey, agreed that the affair was unusual in large part because the object of the inquiry was the Director of Central Intelligence.

"Another important difference," argued Senator Richard G. Lugar, Republican of Indiana, "was that it was the Senate Intelligence Committee that was in charge." The panel, Mr. Lugar noted, is unusual because it is handpicked by the Senate leadership to reflect a range of "responsible" ideology and because of the sensitive nature of the activities it monitors.

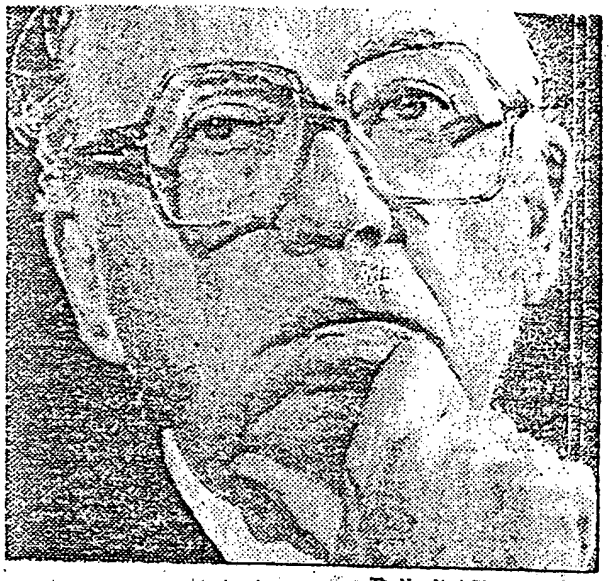
The Casey affair, however, has demonstrated that in at least one critical respect, the intelligence panel seems to have become similar to other Congressional panels. "The committee has become more like the Senate as a whole," observed Senator Joseph R. Biden Jr., a Democratic member. "The separation of powers has been muted in every aspect under Republican control."

Like the community it watches, the intelligence panel operates in an atmosphere of secrecy unparalleled on Capitol Hill. So, while panel members burned about Mr. Casey's appointment of Max C. Hugel, a campaign aide and intelligence novice, as head of covert services, their sentiment was not publicly aired until Mr. Hugel was forced to resign in the wake of a financial scandal.

But when it did blow up, it became what Senator Robert Packwood, Republican of Oregon, called a "one-week wonder." The private grumbling of the panel chairman, Senator Barry Goldwater, that his choice and the agency's deputy director, Adm. Bobby R. Inman, had not gotten the top agency job erupted in a suggestion at an impromptu press conference that Mr. Casey step down. Only four days later, after a five-hour closed meeting with Mr. Casey, Mr. Goldwater and the panel vice chairman, Senator Daniel Patrick Moynihan, said "no basis had been found for concluding that Mr. Casey is unfit to serve."

What had happened? For one thing, Mr. Casey and Admiral Inman both visited members to assure them that the agency would respond more quickly and fully to committee calls for consultation. Friends and supporters of Mr. Casey called committee members on his behalf.

Also important was whispering from the White House and the "intelligence community" — former and current intelligence officials and their friends — warning that scandal and a prolonged inquiry would deny the agency the morale and stability it requires to do its job. Even if Mr. Casey were to step aside, White House aides said that the top job would not go to Admiral Inman, the committee's favorite, and that he might even lose the deputy's post because proposed nominees for chief had former or current military connections, and it is illegal for two military personnel to occupy top jobs at the agency. Finally, the White House and Senate leadership successfully focused the controversy not on Mr. Casey's management of



The New York Times/D. Gorton
William J. Casey

the agency, but on allegations of impropriety in his former business dealings and on the lack of due process being afforded him. They were outraged at colleagues who called for Mr. Casey's resignation before an inquiry had begun.

Mr. Lugar said that the committee had last week investigated the matter sufficiently to issue the preliminary judgment expressed by Mr. Goldwater and Mr. Moynihan. But Mr. Biden noted that the panel had not yet interviewed a single former business partner of Mr. Casey's nor had the staff reviewed the transcript of the court cases at issue. Nevertheless, committee members all agreed that it was essential to the agency's stability that they issue at least some statement; the price of Mr. Biden's support was a Democratic counsel to assist in the investigation and a committment to explore "loose ends."

The committees were not always so attuned to their constituencies. Established in 1975 to investigate allegations of substantial improprieties, the Senate panel, then headed by Senator Frank Church, concluded after a 15-month inquiry that while the national intelligence system was a "permanent and necessary component of our government," the agencies had committed abuses. Rather than rely on the previous practice of sporadic conversation with favored House and Senate leaders, the Church committee recommended permanent oversight committees.

Initially, the agencies, stunned and angered by the public rebuke, resisted cooperation. But with the conservative tide sweeping the country came the call for a reinvigorated intelligence capability. Indeed, committee members are among the most vigorous proponents of the agency's requests for greater resources, more flexibility and exemption from public disclosure laws. Senator Biden, for instance, says a thorough investigation of the charges against Mr. Casey is needed precisely because Congress might resist unleashing the agency if it lacks confidence in the oversight panels.

The staff inquiry, therefore, is likely to continue. Privately, however, some senators are concerned that Mr. Goldwater's quixotic and mercurial behavior may impair the effort. Others think he has been chastened by the Casey affair. "It's going to tone him down a little," a Republican committee member predicted. Perhaps. Still others are concerned that a future disclosure about Mr. Casey's conduct or financial dealings, or a scandal over a failed covert operation may again trigger calls for an inquiry — or accusations that the panel failed to do its job.